



Patrick W. Henning, Director
September 30, 2009
22M:387:da:9112:9113



Arnold Schwarzenegger
Governor

Mr. Ruben Aceves, Workforce Development Manager
City of Anaheim Workforce Development Division
50 South Anaheim Boulevard, Suite 200
Anaheim, CA 92805

Dear Mr. Aceves:

WORKFORCE INVESTMENT ACT
FISCAL AND PROCUREMENT REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2008-09

This is to inform you of the results of our review for Program Year (PY) 2008-09 of the City of Anaheim Workforce Development Division's (City of Anaheim) ARRA Summer Youth Program (SYP) Workforce Investment Act (WIA) grant financial management and procurement systems. This review was conducted by Mr. Dave Ajirogi from July 20, 2009 through July 23, 2009. For the fiscal portion of the review, we focused on the following areas: fiscal policies and procedures, accounting system, reporting, program income, expenditures, internal control, allowable costs, cash management, cost allocation, indirect costs, fiscal monitoring of subrecipients, single audit and audit resolution policies and procedures for its subrecipients, and written internal management procedures. For the procurement portion of the review, we examined procurement policies and procedures, methods of procurement, procurement competition and selection of service providers, cost and price analyses, contract terms and agreements, and property management.

Our review was conducted under the authority of Section 667.410(b)(1), (2) & (3) of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by City of Anaheim with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding financial management and procurement for PY 2008-09.

We collected the information for this report through interviews with representatives of City of Anaheim, a review of applicable policies and procedures, and a review of documentation retained by City of Anaheim for a sample of expenditures and procurements for PY 2008-09.

BACKGROUND

The City of Anaheim was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. For PY 2008-09, City of Anaheim was allocated: \$717,419 to serve 127 adult participants; \$689,824 to serve 117 youth participants; and \$663,586 to serve 70 dislocated worker participants.

For the quarter ending June 30, 2009, City of Anaheim reported the following expenditures and enrollments for its WIA programs: \$606,835 to serve 76 adult participants; \$169,318 to serve 41 youth participants; and \$631,005 to serve 41 dislocated worker participants.

FISCAL REVIEW RESULTS

We conclude that, overall, the City of Anaheim is meeting applicable WIA requirements concerning financial management.

PROCUREMENT REVIEW RESULTS

We conclude that, overall, the City of Anaheim is meeting applicable WIA requirements concerning procurement.

This report contains no findings or concerns; therefore, we are issuing this report as the final report.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all the areas included in our review. It is the City of Anaheim's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, federal and state regulations, and applicable state directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain the City of Anaheim's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please call Ms. Mechelle Hayes at (916) 654-1292.

Sincerely,



JESSIE MAR, Chief
Compliance Monitoring Section
Compliance Review Division

cc: Jose Luis Marquez, MIC 50
Daniel Patterson, MIC 45
Georganne Pintar, MIC 50
Gilbert von Studnitz, MIC 50